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THE

Market Administrator's

BULLETIN

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MILK . . . Mmm so good!

FILLED AND IMITATION MILK SALES CONTINUE DOWNWARD

Dairy Situation, July, 1969

Sales of filled milk in Federal order markets, on an average daily basis, continued downward in May. The number of handlers using fluid skim milk declined from 40 in April to 32 in May, but the number of markets and of handlers who are using nonfat dry milk as an ingredient rose from 5 to 6 markets and from 9 to 11 handlers. Synthetic milk (a nondairy product) continued to be sold in only 4 Federal order markets by 4 handlers. Sales of filled milk in April came to about 0.4 percent of total Class I sales in the markets where they were sold.

In California, not under Federal orders, sales of imitation milk for January-April averaged 30 percent higher than a year earlier, with April sales up 6 percent. However, the volume of sales declined from January to April. California also reported sales of imitation sour cream amounting to about 5 percent of sour cream sales and up 2 percent from January-April, 1968. Sales of imitation frozen products for the State (mellorine and imitation ice milk) were down 4 and 15 percent, respectively. Imitation ice milk volume was about 34 percent of ice milk sales, down from 39 percent a year earlier. Mellorine maintained its proportion of the market at 8 percent of ice cream sales.

MORE TIME FOR COMMENT ON USDA FILLED MILK DECISION

The U. S. Department of Agriculture has extended to September 4 the deadline for filing exceptions to its June 17 recommended decisions on amendment of Federal milk orders to clarify their application to the dairy ingredients of filled milk.

USDA's Consumer and Marketing Service officials said the closing date for comments, first set for August 4, is being extended at the request of the Milk Industry Foundation.

Those wishing to submit exceptions or comments should file them on or before September 4, in four copies, with the Hearing Clerk, Room 112-A, U. S. Department of Agriculture, Washington, D. C. 20250, where they will be available for inspection.

PRODUCTION OF MANUFACTURED DAIRY PRODUCTS DOWN

Dairy Situation, July, 1969

During January-May, 1969 nearly 1 percent less milk was available for manufactured dairy products than a year earlier. Indications from lower weekly butter and cheese production are that June supplies of milk were slightly below those of June, 1968. Despite smaller fluid whole milk sales and less farm use of milk than last year, third quarter supplies for manu-
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CHANGES IN FLUID MILK SALES

Dairy Situation, July, 1969

Trends in recent years toward larger sales of low-fat and skim milk products and declines in whole milk and cream sales continued in 1968 and in the first quarter of 1969. Sales of low-fat (2 percent) milk gained substantially, and skim milk, buttermilk, yogurt, and flavored milk drinks were all up in January-March, 1969. Reflecting this growth, all skim milk and low-fat products accounted for over 18 percent of total fluid sales in the first quarter of this year, up from around 7 percent in 1960. Sour cream sales had increased in recent years, but they declined in early 1969.

DAIRY PRICE SUPPORT ACTIVITY REPORT FOR JUNE, 1969

Commodity Credit Corporation contracted in June to buy 22.3 million pounds of butter and 94.9 million pounds of nonfat dry milk, the Department reported. Purchases on a delivery basis were 22.3 million pounds of butter (all in bulk, contracted for immediate delivery) and 49.5 million pounds of nonfat dry milk.

As of June 30, CCC had uncommitted inventories of 132 million pounds of butter, 14 million pounds of cheese, and 262 million pounds of nonfat dry milk.



Cincinnati

MARKET FACTS FOR EASY REFERENCE

PRICE SUMMARY

Producer's Uniform Price (3.5%)	\$5.12*	\$5.19*	\$5.11*
Class I (3.5%)	6.05	6.05	6.11
Class II (3.5%)	4.25	4.25	4.16
Producer Butterfat Differential for each 1/10%	8.0¢	8.0¢	7.8¢

*Producer location differential—

Distance of Receiving Plant from City Hall, Cincinnati, Ohio

50 but less than 60 miles .10¢ less

Each additional 10 miles or fraction thereof, an additional .015

UTILIZATION SUMMARY

Percent of Producer Milk in Class I	61.92	66.92	60.75
Percent of Producer Milk in Class II	38.08	33.08	39.25

PRODUCTION SUMMARY

Total Bulk Tank Milk Deliveries	61,608,006	66,475,377	59,420,688
Total Can Milk Deliveries	1,112,091	1,186,367	3,368,275
Total Pounds Producer Milk Delivered	62,720,097	67,661,744	62,788,963
Percentage of Tank Milk to Total Deliveries	98.23	98.25	94.64

Number of Tank Producers	2,486	2,489	2,447
Number of Can Producers	89	92	255
Total Number of Producers	2,575	2,581	2,702
Percentage of Tank Producers to Total Producers	96.54	96.44	90.56

Average Daily Receipts per Tank Producer	826	862	809
Average Daily Receipts per Can Producer	417	416	440
Average Daily Receipts per All Producers	812	846	775

Average Butterfat Test of All Producers	3.49	3.55	3.52
Average Daily Class I Use (Gross)	1,447,783	1,618,296	1,411,181

VALUE SUMMARY

Total Value of Average Test	\$3,205,592	\$3,535,165	\$3,216,575
Income per Producer (7 Day Average)	\$290	\$309	\$277

AVERAGE DAILY SALES (Quarts)

Milk	455,189	502,591	454,109
Buttermilk	17,507	18,407	16,510
Chocolate	17,778	35,224	16,947
Skim	134,828	141,372	119,071
Cream	8,468	8,838	9,125

June 1969	May 1969	June 1968
\$5.12*	\$5.19*	\$5.11*
6.05	6.05	6.11
4.25	4.25	4.16
8.0¢	8.0¢	7.8¢
61.92	66.92	60.75
38.08	33.08	39.25
61,608,006	66,475,377	59,420,688
1,112,091	1,186,367	3,368,275
62,720,097	67,661,744	62,788,963
98.23	98.25	94.64
2,486	2,489	2,447
89	92	255
2,575	2,581	2,702
96.54	96.44	90.56
826	862	809
417	416	440
812	846	775
3.49	3.55	3.52
1,447,783	1,618,296	1,411,181
\$3,205,592	\$3,535,165	\$3,216,575
\$290	\$309	\$277
455,189	502,591	454,109
17,507	18,407	16,510
17,778	35,224	16,947
134,828	141,372	119,071
8,468	8,838	9,125

COMPARATIVE STATISTICS CINCINNATI MARKETING AREA JUNE, 1960-'69

Year	Receipts from Producers	Average Butter-fat Test	Percentage of Producer Milk in Each Class			Uniform Producer Price (3.5%)	Class Prices at 3.5%			Number of Producers	Average Daily Prod.
			Class I	Class II	Class III		Class I	Class II	Class III		
1960	60,322,764	3.67	55.4	20.5	24.1	3.51	4.5980	3.0331	2.8100	3,902	425
1961	41,878,691	3.61	53.4	17.6	29.0	3.62	4.7691	3.3246	2.8438	4,054	496
1962	47,509,968	3.55	58.4	18.3	23.0	3.58	4.65	3.1006	2.6875	3,582	520
1963	59,248,355	3.55	53.4	18.4	28.3	3.51	4.71	3.1058	2.70	3,368	586
1964	60,089,524	3.55	54.9	18.6	26.7	3.60	4.61	3.1107	2.7125	3,224	621
1965	62,722,348	3.54	61.6	17.2	21.2	3.77	4.74	3.1497	2.7125	3,265	640
1966	69,818,493	3.57	55.3	44.7	-----	4.25	5.14	3.67	-----	3,109	749
1967	64,020,255	3.56	60.1	39.9	-----	4.71	5.65	3.91	-----	2,872	743
1968	62,788,963	3.52	60.7	39.3	-----	5.11	6.11	4.16	-----	2,702	775
1969	62,720,097	3.49	62.0	38.0	-----	5.12	6.05	4.25	-----	2,575	812

USDA FOOD DONATIONS FOR NEEDY UP NEARLY 45 PERCENT

Nearly 45 percent more food for needy families was donated by the U. S. Department of Agriculture in the first 9 months (July 1968-March 1969) of this fiscal year than in the same period of the previous year, Secretary of Agriculture Clifford M. Hardin reported.

Valued at \$156.6 million, 777.0 million pounds of USDA foods were distributed for the needy family donation program in 41 States and 4 territories in the first 9 months of this fiscal year, compared with 537.3 million pounds worth \$90.2 million during the same months of fiscal year 1968.

The amount of food made available by USDA for participants in the Commodity Distribution Program climbed to 36 pounds per person per month during this 9-month period. Among the foods were several new, highly nutritious ones first offered for donation during July-September 1968. Moreover, more people took part in the Commodity Distribution Program July 1968-March 1969, and USDA expanded its supplementary food program to bring additional nutritious foods to mothers, infants, and small children most vulnerable to nutritional deficiencies.

In March 1969, nearly 3.8 million needy persons in family units in 41

States and 4 territories benefited from USDA's Commodity Distribution Program. Another 3.1 million plus in 41 States and the District of Columbia took part in USDA's Food Stamp Program, receiving during March alone nearly \$22 million worth of extra food-buying power. Thus at the end of March 1969, more than 6.9 million persons were benefiting from the two USDA family food-help programs compared with about 5.9 million a year earlier.

Other USDA food donations during July 1968-March 1969 included 645.0 million pounds to schools, and nearly 100 million pounds to charitable institutions came to more than 1.5 billion pounds, an increase of some 12.1 percent over the same period a year earlier when total donations were some 1.36 billion pounds.

The U. S. Department of Agriculture acquires some of the food through its price-support activities, and through other purchases to help needy persons and others enjoy a substantial and varied diet. The food is processed, packaged, and shipped to the States and territories for use in their school lunch, needy family, and other food-aid programs. Any donated food in these distribution channels may be diverted for immediate use to aid victims of natural disasters.

NEVADA, USDA SCIENTISTS SUGGEST CAUSE OF GRASS TETANY POISONING OF CATTLE

Research reported by the Nevada Agricultural Experiment Station, Reno, and the U. S. Department of Agriculture strongly suggests that a cause of grass tetany poisoning of cattle may be the chemical potassium trans-aconitate or related compounds which occur naturally in young, rapidly growing grass on which they graze.

The cause of grass tetany, a frequently fatal ailment of cattle pastured on lush grass or winter wheat, was previously unconfirmed. Discovery of its cause would open the way for development of practical methods of prevention.

Animals affected by grass tetany poisoning initially show unusual excitement, incoordination, and loss of appetite. Unless treated, staggering, muscular contraction, coma and death follow. Affected cattle usually recover if they receive an intravenous or intraperitoneal injection of calcium-magnesium gluconate in the first few hours after symptoms occur.

In cooperative studies by the Nevada Station and USDA's Agricultural Research Service, researchers experimentally induced a tetany that closely resembles field cases of grass tetany by giving cattle equal amounts of potassium chloride and trans-aconitic acid by oral administration.

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**MANUFACTURED
DAIRY PRODUCTS DOWN**

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facturing may be less than in 1968.

Butter production in January-May was about 4 percent lower than in the same period of 1968, but weekly data indicate that the decline slowed in June. Output has fallen this year, although milkfat has been diverted from fluid milk and cream consumption to butter. The drop was caused mostly by lower milk production and some shift of milk to other dairy products. Output of butter during the third quarter likely will continue below a year earlier, as milk production continues down and a larger proportion of milk moves into other uses. Lower nonfat dry milk production reflected reduced butter output and increased use of solids-not-fat in other products. Through May, output was down about 9 percent from a year earlier.

American cheese output was about 5 percent less in January-May than the same months of 1968. In June, weekly data indicate that the decline slowed. Production may pass year-earlier levels in the third quarter, if farm milk is diverted from butter to cheese. In May, American cheese plants in Minnesota and Wisconsin paid an average of 12 cents per 100 pounds more than butter-byproduct plants for milk with 3.5 percent milkfat. January-May output of other types of cheese was about the same as a year earlier.

Market Quotations

JUNE
1969

MINNESOTA-WISCONSIN PRICE SERIES	\$4.39
Butter-nonfat dry milk price, 3.5% per cwt. (Columbus)	4.25
Average Price per lb. 92-score butter at Chicago	.6764
Average carlot prices, spray process nonfat dry milk, f.o.b. Chicago area manufacturing plants	.2298

STORAGE STOCKS DOWN FROM 1968

Dairy Situation, July, 1969

On June 1, storage stocks of all manufactured dairy products totaled an estimated 7.2 billion pounds milk equivalent. The decline was due mostly to lower government holdings of butter and cheese. However, commercial stocks of cheese also were down substantially from 1968 levels.

Commercial holdings of butter rose from about 15 million pounds on January 1 to some 29 million on June 1. This is about 8 percent less than the June 1, 1968, level. In 1968, commercial stocks of butter were barely sufficient for demand and at the end of the year were the lowest ever recorded at that time. This year, butter production has been running below a year earlier, and, with lower milk production in prospect this fall, it is possible that the trade will stock more heavily than in 1968. On the other hand, butter sales have lagged, and high interest rates are discouraging commercial stor-

age. These considerations may cause the trade to depend on CCC stocks of butter, which promise to be ample for fall and winter needs. On June 1, USDA had 133 million pounds of butter on hand.

Total cheese stocks, including an allowance for processed cheese in USDA hands, were an estimated 348 million pounds on June 1, down about one-fifth from a year earlier. This included 323 million pounds of commercial stocks, of which 265 million were American cheese. Government holdings of American cheese declined to some 25 million pounds, compared with 58 million in 1968.

Nonfat dry milk stocks, at 302 million pounds, are running about 8 percent below a year earlier. Both manufacturers' stocks and government holdings were lower. Manufacturers' stocks of evaporated milk, 124 million pounds at the beginning of June, were up about 17 percent from a year earlier, and sweetened condensed milk stocks, at 5.8 million pounds, were up about 58 percent.